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CHAPTER 6

AUTHORIZED PROVIDERS

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CHAPTER 6
AUTHORIZED PROVIDERS

A. GENERAL

This chapter sets forth general policies and procedures that are the basis for the CHAMPUS cost-sharing of medical services and supplies provided by institutions, individuals, or other types of providers. Providers seeking payment from the Federal Government through programs such as CHAMPUS have a duty to familiarize themselves with, and comply with, the program requirements.

1. Listing of provider does not guarantee payment of benefits. The fact that a type of provider is listed in this chapter is not to be construed to mean that CHAMPUS will automatically pay a claim for services or supplies provided by such a provider. The provider who actually furnishes the service(s) must, in fact, meet all licensing and other requirements established by this Regulation to be an authorized provider; the provider must not be the subject of sanction under Chapter 9; and, cost-sharing of the services must not otherwise be prohibited by this Regulation. In addition, the patient must in fact be an eligible beneficiary and the services or supplies billed must be authorized and medically necessary, regardless of the standing of the provider.

2. Outside the United States or emergency situations within the United States. Outside the United States or within the United States and Puerto Rico in emergency situations, the Director, OCHAMPUS, or a designee, after review of the facts, may provide payment to or on behalf of a beneficiary who receives otherwise covered services or supplies from a provider of service that does not meet the standards described in this Regulation.

NOTE : Only the Secretary of Defense, the Secretary of Health and Human Services, or the Secretary of Transportation, or their designees, may authorize (in emergency situations) payment to civilian facilities in the United States that are not in compliance with title VI of the Civil Rights Act of 1964 (reference (z)). For the purpose of the Civil Rights Act only, the United States includes the 50 states, the District of Columbia, Puerto Rico, Virgin Islands, American Samoa, Guam, Wake Island, Canal Zone, and the territories and possessions of the United States.

3. Dual compensation/conflict of interest. Title 5, United States Code, section 5536 (reference (bb)) prohibits medical personnel who are active duty Uniformed Service members or civilian employees of the Government from receiving additional Government compensation above their normal pay and allowances for medical care furnished. In addition, Uniformed Service members and civilian employees of the Government are generally prohibited by law and agency regulations and policies from participating in apparent or actual conflict of interest situations in which a potential for personal gain

exists or in which there is an appearance of impropriety or incompatibility with the performance of their official duties or responsibilities. The Departments of Defense, Health and **Human** Services, and Transportation have a responsibility, when disbursing appropriated funds in the payment of CHAMPUS benefits, to ensure that the laws and regulations are not violated. Therefore, active duty Uniformed Service members (including a reserve member while on active duty) and civilian employees of the United States Government shall not **be** authorized to be CHAMPUS providers-. While individual employees of the Government may be able to demonstrate that the furnishing of care to CHAMPUS beneficiaries may not be incompatible with-their official **duties** and responsibilities, the processing **of** millions of CHAMPUS claims each year does not enable Program administrators to efficiently review the status of the provider on each claim to ensure that no conflict of interest or dual compensation situation exists. The problem is further complicated given the numerous interagency agreements (for example, resource sharing arrangements between the Department of Defense and the Veterans Administration in the provision of health care) and other unique arrangements which exist at individual treatment facilities around the country. While an individual provider may be prevented from being an authorized CHAMPUS provider even though no conflict of interest or dual compensation situation exists, it is essential for CHAMPUS to have an easily administered, uniform rule which will ensure compliance with the existing laws and regulations. Therefore, a provider who is **an active** duty Uniformed Service member or civilian employee of the Government shall not **be** an authorized CHAMPUS provider. In addition, a provider shall certify on each CHAMPUS **claim** that he/she is not an active duty Uniformed Service member or civilian employee of the Government.

4. For-profit institutions excluded under the Program, for the Handicapped (PFTH). 10 U.S.C. 1079(d)(4) (reference (a)) precludes payment of benefits under the PFTH for otherwise covered services and supplies provided by a for-profit institution (refer to Chapter 5 of this Regulation).

5. Utilization review and quality assurance. Providers approved as authorized CHAMPUS providers have certain obligations to provide services and supplies under CHAMPUS which are (i) furnished at the appropriate level and only when and to the extent medically necessary under the criteria of this Regulation; (ii) of a quality that meets professionally recognized standards of health care; and, (iii) supported by adequate medical documentation as may be reasonably required under this Regulation **by** the Director, **OCHAMPUS**, or a designee, to evidence the medical necessity and quality of services furnished, as well as the appropriateness of the level of care. Therefore, the authorization of CHAMPUS benefits is contingent upon the services and supplies furnished by any provider being subject to pre-payment or post-payment utilization and quality assurance review under professionally recognized standards, norms, and criteria, as well as any standards or criteria issued by the Director, **OCHAMPUS**, or a designee, pursuant to this Regulation. (Refer to Chapters 4, 5, and 7 of this Regulation.)

6. Provider required. In order to be considered for benefits, all services and supplies shall be rendered by, prescribed by, or furnished at the direction of, or on the order of a **CHAMPUS-authorized** provider practicing within the scope of his or her license.

7. Participating providers. Under CHAMPUS, authorized professional providers and institutional providers other than hospitals have the option of participating on a **claim-by-claim** basis. Participation is required for inpatient claims only for hospitals which are Medicare-participating providers. Hospitals which are not Medicare-participating providers but which are subject to the CHAMPUS **DRG-based** payment system in subsection A1. of Chapter 14 or the CHAMPUS mental health per diem payment system in subsection A.2. of Chapter 14 must sign agreements to participate on all CHAMPUS inpatient claims in order to be authorized providers under CHAMPUS. All other hospitals may elect to participate on a **claim-by-claim** basis. Participating providers must indicate participation by signing the appropriate space on the applicable CHAMPUS claim form and submitting it to the appropriate CHAMPUS fiscal intermediary on behalf of the beneficiary. In the case of an institution or medical supplier, the claim must be signed by an official having such authority. This certifies that the provider has agreed to accept the **CHAMPUS-determined** allowable charge or cost as payment in full for the medical services and supplies listed on the specific claim form; and has agreed to accept the amount paid by CHAMPUS or the CHAMPUS payment combined with the cost-sharing and deductible amounts paid by, or on behalf of, the beneficiary as full payment for the covered medical services and supplies.

8. Limitation to authorized institutional provider designation. Authorized institutional provider status granted to a specific **institutional** provider applicant does not extend to any institution-affiliated provider, as defined in Chapter 2 of this Regulation, of that specific applicant.

9. Authorized provider. A hospital or institutional provider, physician, or other individual professional provider, or other provider of services or supplies specifically authorized in this chapter to provide benefits under CHAMPUS. In addition, to be an authorized CHAMPUS provider, any hospital which is a CHAMPUS participating provider under Section A.7. of this chapter, shall be a **participating** provider for all care, services, or supplies furnished to an active duty member of the uniformed services for which the active duty member is entitled under title 10, United States Code, section 1074(c). As a participating provider for active duty members, the CHAMPUS authorized hospital shall provide such care, services, and supplies in accordance with the payment rules of Chapter 16. The failure of any CHAMPUS participating hospital to be a participating provider for any active duty member subjects the hospital to termination of the hospital's status as a CHAMPUS authorized provider for failure to meet the qualifications established by this chapter.

B. INSTITUTIONAL PROVIDERS

1. General. Institutional providers are those providers who bill for services in the name of an organizational entity (such as hospital and skilled nursing

facility), rather than in the name of a person. The term "institutional provider" does not include professional corporations or associations qualifying as a domestic corporation under section 301.7701-5 of the Internal Revenue Service Regulations (reference (cc)), nor does it include other corporations that provide principally professional services. Institutional providers may provide medical services and supplies on either an inpatient or outpatient basis.

a. Preauthorization. The Director, OCHAMPUS, reserves the right to require preauthorization for admission to inpatient facilities. Refer to Chapter 4, subsection All., for information on preauthorization.

b. Billing practices.

(1) Each institutional billing, including those institutions subject to the CHAMPUS DRG-based reimbursement method or a CHAMPUS-determined all-inclusive rate reimbursement method, must be itemized fully and sufficiently descriptive for the CHAMPUS to make a determination of benefits.

(2) Institutional claims subject to the CHAMPUS DRG-based reimbursement method or a CHAMPUS-determined all-inclusive rate reimbursement method, may be submitted only after the beneficiary has been discharged or transferred from the institutional provider's facility or program.

(3) Institutional claims for Residential Treatment Centers and all other institutional providers, except those listed in subparagraph (2) above, should be submitted to the appropriate CHAMPUS fiscal intermediary at least every 30 days .

2. Nondiscrimination policy. Except as provided below, payment may not be made for inpatient or outpatient care provided and billed by an institutional provider found by the Federal Government to practice discrimination in the admission of patients to its services on the basis of race, color, or national origin. Reimbursement may not be made to a beneficiary who pays for care provided by such a facility and submits a claim for reimbursement. In the following circumstances, the Secretary of Defense, or a designee, may authorize payment for care obtained in an ineligible facility:

a. Emergency care. Emergency inpatient or outpatient care.

b. Care rendered before finding of a violation. Care initiated before a finding of a violation and which continues after such violation when it is determined that a change in the treatment facility would be detrimental to the health of the patient, and the attending physician so certifies.

c. Other facility not available. Care provided in an ineligible facility because an eligible facility is not available within a reasonable distance.

3. Procedures for qualifying as a CHAMPUS-approved institutional provider. General and special hospitals otherwise meeting the qualifications outlined in paragraphs B.4. a. , b. , and c. , of this chapter are not required to request CHAMPUS approval formally.

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a. JCAHO accreditation status. Each CHAMPUS fiscal intermediary shall keep informed as to the current JCAHO accreditation status of all hospitals and skilled nursing facilities in its area; and the provider's status under Medicare, particularly with regard to compliance with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d(1)). The Director, OCHAMPUS, or a designee, shall specifically approve all other authorized institutional providers providing services to CHAMPUS beneficiaries. At the discretion of the Director, OCHAMPUS, any facility that is certified and participating as a provider of services under title XVIII of the Social Security Act (Medicare), may be deemed to meet CHAMPUS requirements. The facility must be providing a type and level of service that is authorized by this Regulation.

b. Required to comply with criteria. Facilities seeking CHAMPUS approval will be expected to comply with appropriate criteria set forth in subsection B.4. of this chapter. An onsite evaluation, either scheduled or unscheduled, may be conducted at the discretion of the Director, OCHAMPUS, or a designee. The final determination regarding approval, reapproval, or disapproval of a facility will be provided in writing to the facility and the appropriate CHAMPUS fiscal intermediary.

c. Notice of peer review rights. All health care facilities subject to the DRG-based payment system shall provide CHAMPUS beneficiaries, upon admission, with information about peer review including their appeal rights. The notices shall be in a form specified by the Director, OCHAMPUS.

d. Surveying of facilities. The surveying of newly established institutional providers and the periodic resurveying of all authorized institutional providers is a continuing process conducted by OCHAMPUS.

e. Institutions not in compliance with CHAMPUS standards. If a determination is made that an institution is not in compliance with one or more of the standards applicable to its specific category of institution, OCHAMPUS shall take immediate steps to bring about compliance or terminate the approval as an authorized institution in accordance with Chapter 9.F.2.

f. Participation agreements required for some hospitals which are not Medicare-participating. Notwithstanding the provisions of this paragraph B.3., a hospital which is subject to the CHAMPUS DRG-based payment system but which is not a Medicare-participating hospital must request and sign an agreement with OCHAMPUS. By signing the agreement, the hospital agrees to participate on all CHAMPUS inpatient claims and accept the requirements for a participating provider as contained in subsection A.7. of this chapter. Failure to sign such an agreement shall disqualify such hospital as a CHAMPUS-approved institutional provider.

4. Categories of institutional providers. The following categories of institutional providers may be reimbursed by CHAMPUS for services provided CHAMPUS beneficiaries subject to any and all definitions, conditions, limitations, and exclusions specified or enumerated in this Regulation.

a. Hospitals, acute care, general and special. An institution that provides **inpatient services**, that also may provide **outpatient** services (including clinical **and** ambulatory surgical services) , and that:

(1) Is engaged primarily in providing **to** inpatients, by or under **the supervision of physicians**, diagnostic **and** therapeutic services for the medical **or surgical** diagnosis and treatment of illness, injury, or bodily malfunction (including maternity) .

(2) Maintains clinical records on all inpatients (and **outpatients** if the facility operates an outpatient department **or** emergency room).

(3) Has bylaws in effect with respect to its operations and medical staff.

(4) Has a requirement that every patient **be** under **the** care **of** a physician .

(5) Provides 24-hour nursing service rendered or supervised by a registered professional nurse, and has a licensed practical nurse or registered professional nurse on duty at all times.

(6) Has in effect a hospital utilization review plan that is operational and functioning.

(7) In the **case of an institution** in a **state** in which state or **applicable local** law provides for the licensing of hospitals, the hospital:

(a) Is licensed pursuant **to** such law, or

(b) Is approved by the agency of such state or locality responsible **for** licensing hospitals as meeting the standards established for such licensing.

(8) Has in effect an operating plan and budget.

(9) Is accredited **by** the **JCAHO** or meets such other requirements as the **Secretary of Health and Human Services** or the Secretary of Defense **finds** necessary in the interest of the health and safety of patients who are admitted **to** and furnished services in the institution.

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b. Liver transplantation centers.

(1) CHAMPUS shall provide coverage for liver transplantation procedures performed only by experienced transplant surgeons at centers complying with the provisions outlined in paragraph **B.4.a.** of this section and meeting the following criteria:

(a) The center is a tertiary care facility affiliated with an academic health center. The center must have accredited programs in graduate medical education related to the **function** of liver transplantation such as internal medicine, pediatrics, surgery, and anesthesiology;

(b) The center has an active solid organ transplantation program (involving liver transplants as well as other organs);

(c) The transplantation center must have at least a 50 percent one-year survival rate for ten cases. At the time CHAMPUS approval is requested, the transplant center must provide evidence that at least ten liver transplants have been performed at the center and that at least 50 percent of those transplanted patients have survived one year following surgery. A 50 percent one-year survival rate for all subsequent liver transplantations must be maintained for continued CHAMPUS approval;

(d) The center has allocated sufficient operating room, recovery room, laboratory, and blood bank support and a sufficient number of intensive care and general surgical beds **and** specialized staff for these areas;

(e) The center participates in a donor procurement program and network;

(f) The center systematically collects and shares data on its transplant program;

(g) The center has an interdisciplinary body to determine the suitability of candidates for transplantation on an equitable basis;

(h) The transplantation surgeon is specifically trained for liver grafting and must assemble and train a team to function whenever a donor liver is available;

(i) The transplantation center must have on staff board eligible or board certified physicians and other experts in the field **of** hematology, pediatrics, infectious disease, **nephrology** with dialysis capability, pulmonary medicine with respiratory therapy support, pathology, immunology, and anesthesiology to complement a qualified transplantation team;

(j) The transplantation center has the assistance of appropriate microbiology, clinical chemistry, and radiology support;

(k) The transplantation center has blood bank support to accommodate **normal** demands and the transplant procedure; and

(1) The transplantation center includes the availability of psychiatric and social services support for patients and family.

(2) In order to receive approval as a CHAMPUS authorized liver transplant center, a center must submit a request to the Director, **CHAMPUS**, or a designee. The CHAMPUS authorized liver transplant center shall agree to the following:

(a) Bill for all services and supplies related to **the liver** transplantation performed by its staff and **bill** also for services rendered by the donor hospital following declaration of brain death and after all existing legal requirements for excision of the donor organ have been met; and

(b) The center shall agree to submit all charges on the basis of fully itemized bills. This means that each service and supply and the charge for each is individually identified.

c. Heart transplantation centers.

(1) CHAMPUS *shall provide coverage for heart transplantation* procedures performed only by experienced transplant surgeons at centers complying with provisions outlined in paragraph B.4.a. of this section and meeting the following criteria:

(a) The center has experts in the fields of cardiology, cardiovascular surgery, anesthesiology, immunology, infectious disease, nursing, social services and organ procurement to complement the transplant team;

(b) The center *has an* active cardiovascular medical and surgical program as evidenced by a minimum of 500 cardiac catheterizations and coronary arteriograms and 250 open heart procedures per year;

(c) The center has an anesthesia team that is available at all times;

(d) The center has infectious disease services with both the professional skills and the laboratory resources that are needed to discover, identify, and manage a whole range of organisms;

(e) The center has a nursing service team trained in the hemodynamic support of the patient and in managing **immunosuppressed** patients;

(f) The center has pathology resources that are available for studying and reporting the pathological responses of transplantation;

(g) The center has legal counsel familiar with transplantation laws and regulations;

(h) The commitment of the transplant center must be at all levels and broadly evident throughout the facility:

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(i) Responsible team members must be board certified or board eligible in their respective disciplines;

(j) Component teams must be integrated into a comprehensive transplant team with clearly defined leadership and responsibility;

(k) The center has adequate social service resources;

(l) The transplant center must comply with applicable State transplant laws and regulations;

(m) The transplant center must safeguard the rights and privacy of patients;

(n) The transplant center must have adequate patient management plans and protocols;

(o) The center participates in a donor procurement program and network;

(p) The center systematically collects and shares data on its transplant program;

(q) The center has an interdisciplinary body to determine the suitability of candidates for transplantation on an equitable basis;

(r) The center has extensive blood bank support;

(s) The center must have an established heart transplantation program with documented evidence of 12 or more heart transplants in each of the two consecutive preceding 12-month periods prior to application and 12 heart transplants prior to that; and

(t) The center must demonstrate actuarial survival rates of 73 percent for one year and 65 percent for two years for patients who have had heart transplants since January 1, 1982, at that facility.

(2) CHAMPUS approval will lapse if either the number of heart transplants falls below 8 in 12 months or if the one-year survival rate falls below 60 percent for a consecutive 24-month period.

(3) CHAMPUS-approval may also be extended for a heart transplant center that meets other certification or accreditation standards provided the standards are equivalent to or exceed the criteria listed above and have been approved by the Director, OCHAMPUS.

(4) In order to receive approval as a CHAMPUS heart transplant center, a facility must submit a request to the Director, OCHAMPUS, or a designee. The CHAMPUS-authorized heart transplant center shall agree to the following:

(a) Bill for all services and supplies related to the heart transplantation performed by its staff and bill also for services

rendered by the donor hospital following declaration of brain death;

(b) Submit all charges on the basis of fully itemized bills. Each service and supply must be **individually** identified and the first claim submitted **for the** heart transplantation must include a copy of the admission history and physical examination; and

(c) Report any significant decrease in the experience level or survival rates and loss of key members of the transplant team to the Director, **OCHAMPUS** .

d. Hospitals, psychiatric. A psychiatric hospital is an institution which is **engaged** primarily in **providing** services to inpatients for the diagnosis and treatment of mental disorders.

(1) There are two major categories of psychiatric hospitals:

(a) The private psychiatric hospital category includes both proprietary and the not-for-profit nongovernmental institutions.

(b) The second category is those psychiatric hospitals that are controlled, financed, and operated by departments or agencies of the local, state, or Federal Government and always are operated on a not-for-profit basis.

(2) In order for the services of a psychiatric hospital to be covered, the hospital shall comply with the provisions outlined in paragraph **B.4.a.** of this chapter. All psychiatric hospitals shall be accredited by

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the JCAHO in order for their services to be cost-shared under CHAMPUS. 'In the case of those psychiatric hospitals that are not **JCAHO-accredited** because they have not been in operation a sufficient period of time to be eligible to request an accreditation survey by the **JCAHO**, the Director, **CHAMPUS**, or a designee, may grant temporary approval if the hospital is certified and participating under Title XVIII of the Social Security Act (Medicare, Part A). This temporary approval expires 12 months from the date on which the **psychiatric** hospital first becomes eligible to request an accreditation survey by the **JCAHO**.

(3) Factors to be considered in determining whether CHAMPUS will cost-share care provided in a psychiatric hospital include, but are not limited to, the following considerations:

(a) Is the prognosis of the patient such that care provided will lead to resolution or remission of the mental illness to the degree that the patient is of no danger to others, can perform routine daily activities, and can be expected to function reasonably outside the inpatient setting?

(b) Can the services **being** provided **be** provided more economically in another facility or on an outpatient basis?

(c) Are the charges reasonable?

(d) Is the care primarily custodial or domiciliary?
(Custodial or domiciliary care of the permanently mentally **ill** or retarded is not a benefit under the Basic Program.)

e. **Hospitals, long-term (tuberculosis, chronic care, or rehabilitation)**, To be considered a long-term hospital, an institution for patients that have tuberculosis or chronic diseases must be an institution (or distinct part of an institution) primarily engaged in providing by or under the supervision of a physician appropriate medical or surgical services **for** the diagnosis and active treatment of the illness or condition in which the institution specializes.

(1) In order for the service of long-term hospitals to be covered, the hospital must comply with the provisions outlined in paragraph **B.4.a.** of this chapter. In addition, in order for services provided by such hospitals to be **coverable** by CHAMPUS, they must be primarily for the treatment of the presenting illness.

(2) Custodial or domiciliary care is not **coverable** under CHAMPUS, even if rendered in an otherwise authorized long-term hospital.

(3) The controlling factor in determining whether a beneficiary's stay in a long-term **hospital is coverable by CHAMPUS is the level** of professional care, supervision, and skilled nursing care that the beneficiary requires, in addition to the diagnosis, type of condition, or degree of functional limitations. The type and **level** of medical services required or rendered is controlling for purposes of extending CHAMPUS benefits: not the type of provider or condition of the beneficiary.

f. Skilled nursing facility. A skilled nursing facility is an institution (or a distinct part of an institution) that is engaged primarily in providing to inpatients medically necessary skilled nursing care, which is other than a nursing home or intermediate facility, and which:

(1) Has policies that are developed with the advice of (and with provisions for review on a periodic basis by) a group of professionals, including one or more physicians and one or more registered nurses, to govern the skilled nursing care and related medical services it provides.

(2) Has a physician, a registered nurse, or a medical staff responsible for the execution of such policies.

(3) Has a requirement that the medical care of each patient must be under the supervision of a physician, and provides for having a physician available to furnish necessary medical care in case of an emergency.

(4) Maintains clinical records on all patients.

(5) Provides 24-hour skilled nursing service that is sufficient to meet nursing needs in accordance with the **policies** developed as provided in subparagraph B.4.f. (1), above, and has at least one registered professional nurse employed full-time.

(6) Provides appropriate methods and procedures for the dispensing and administering of drugs and biological.

(7) Has in effect a utilization review plan that is operational and functioning.

(8) In the case of an institution in a state in which state or applicable local law provides for the licensing of this type facility, the institution:

(a) Is licensed pursuant to such law, or

(b) Is approved by the agency of such state or locality responsible for licensing such institutions as meeting the standards established for such licensing.

(9) Has in effect an operating plan and budget.

(10) Meets such provisions of the most current edition of the Life Safety Code (reference (old)) as are applicable to nursing facilities; except that if the Secretary of Health and Human Services has waived, for such-periods, as deemed appropriate, specific provisions of such code which, if rigidly applied, would result in unreasonable hardship upon a nursing facility.

g. Residential treatment centers. A residential treatment center (RTC) is a facility, or distinct part of a facility, that provides to children and adolescents under the age of 21, a total, 24-hour therapeutically planned group living and learning situation where distinct and individualized

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psychotherapeutic interventions can take place. Residential treatment is a specific level of care to be differentiated from acute, intermediate and long-term hospital care, where the least restrictive environment is maintained to allow for normalization of the patient's surroundings. The RTC must **be** both physically and **programmatically** distinct if it is a part or subunit of a larger treatment program. An RTC is organized and professionally staffed to provide residential treatment of mental disorders to children and adolescents who have sufficient intellectual potential to respond to active treatment (that is, for whom medical opinion or medical evidence can reasonably conclude that treatment of the mental disorder will result in an improved ability to function outside the RTC), for whom outpatient, partial hospitalization or other level of inpatient treatment is not appropriate, and for whom a protected and structured environment is medically or psychologically necessary.

(1) In order for the services of an RTC to be authorized, the RTC shall:

(a) Be accredited by the Joint Commission on Accreditation of **Healthcare** Organizations under the Consolidated Standards Manual for Child, Adolescent, and Adult Psychiatric, Alcoholism, and Drug Abuse Facilities and Facilities Serving the Mentally Retarded;

(b) Comply with the **CHAMPUS** Standards for Residential Treatment Centers Serving Children and Adolescents with Mental Disorders, as issued by the Director, **OCHAMPUS**;

(c) Have entered into a Participation Agreement with **OCHAMPUS** within which the RTC agrees, in part, to:

1 Render residential treatment center inpatient services to eligible **CHAMPUS** beneficiaries in need of such services, in accordance with the participation agreement and the **CHAMPUS** regulation;

2 Accept payment for its services based upon the methodology provided in Chapter 14, paragraph E, or such other method as determined by the Director, **OCHAMPUS**;

3 Accept the **CHAMPUS** all-inclusive per diem rate as payment in **full** and collect from the **CHAMPUS** beneficiary or the family of the **CHAMPUS** beneficiary only those amounts that represent the beneficiary's liability, as defined in Chapter 4, and charges for services and supplies that are not a benefit of **CHAMPUS**;

4 Make all reasonable efforts acceptable to the Director, **OCHAMPUS**, to collect those amounts which represent the beneficiary's liability, as defined in Chapter 4;

5 Comply with the provisions of Chapter 8, and submit **claims** first to all health insurance coverage to which the beneficiary is entitled that is primary to **CHAMPUS**;

6 Submit claims for services provided to **CHAMPUS** beneficiaries at least every 30 days. If claims are not submitted at least every 30 days, the **RTC agrees not to bill the beneficiary or the beneficiary's family** any amounts disallowed by **CHAMPUS**;

7 Designate an individual who will act as liaison for CHAMPUS inquiries. The RTC **shall** inform **OCHAMPUS** in writing of the designated individual;

8 Furnish **OCHAMPUS** with cost. data certified to **by** an independent accounting **firm** or other agency as authorized by the Director, **OCHAMPUS**;

9 Grant the Director, **OCHAMPUS**, or designee, the right to conduct quality assurance audits or accounting audits **with full** access to patients and records to determine the quality and cost-effectiveness of care rendered. The audits may be conducted on a scheduled or unscheduled (unannounced) basis. This right to audit/review includes, but is not limited to:

a Examination of fiscal and all other *records* of the RTC which would confirm **compliance** with the participation agreement and designation as an authorized CHAMPUS RTC provider;

b Conducting such audits of RTC records including clinical, financial, and census records, as may be necessary to determine the nature of the services being provided, and the basis for charges and claims against the United States for services provided CHAMPUS beneficiaries;

c Examining reports of evaluations and inspections conducted by federal, state and local government, and private agencies and organizations;

d Conducting on-site inspections of the facilities of the RTC and interviewing employees, members of the staff, contractors, board members, volunteers, and patients, as required;

e Audits conducted by the United States General Accounting Office.

(d) Be licensed and operational for a minimum period of six months.

(2) The RTC shall not **be** considered to be a CHAMPUS-authorized provider and CHAMPUS benefits shall not be paid for services provided by the RTC until the date the participation agreement is signed by the Director, **OCHAMPUS**, **or a** designee.

(3) Even though an RTC may qualify as a CHAMPUS-authorized provider and may have entered into a participation agreement with CHAMPUS, payment by CHAMPUS for a particular admission is contingent upon certain conditions:

(a) The **child** seeking admission is suffering from a mental disorder which meets the diagnostic criteria of the **DSM-III** and meets the CHAMPUS definition of a mental disorder in Chapter 2.

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(b) The **child** meets the criteria for admission to an RTC issued by the Director, **OCHAMPUS**.

(c) A psychiatrist **or** other physician or a clinical psychologist shall recommend that the child be admitted to the RTC.

(d) A psychiatrist or a clinical psychologist shall direct the development of the child's treatment plan.

(e) **All** services shall be provided by or under the supervision of a qualified mental health provider (refer to paragraph **C.3.i.** of Chapter 4).

(f) The child's admission to the RTC is authorized by CHAMPUS, or a designee.

(4) Under the terms of the participation agreement, RTCS must provide the following safeguards for continued benefit access and quality of care:

(a) Assure that any and-all eligible beneficiaries receive care which complies with standards in paragraphs **B.4.g. (1)(a)** through **(d)** and **B.4.g. (3)**;

(b) Provide inpatient services to CHAMPUS beneficiaries in the same manner it provides inpatient services to all other patients;

(c) Not discriminate against CHAMPUS beneficiaries in any manner, including admission practices, placement in special or separate wings or rooms, or provisions of special or limited treatment.

h. Christian Science sanatoriums. The services obtained in Christian Science sanatoriums are **covered by** CHAMPUS as inpatient care. To qualify **for** coverage, the sanatorium either must **be** operated by, or be listed and certified by the First Church of Christ, Scientist.

i. Infirmaries. Infirmaries are facilities operated by student health departments of colleges and universities to provide inpatient or outpatient care to enrolled students. Charges for care provided by such facilities will **not** be cost-shared by CHAMPUS if the student would not be charged in the absence of CHAMPUS, or if student is covered by a mandatory student health insurance plan, in which enrollment is required as a part **of** the student's school registration and the charges by the college or university include a premium for the student **health** insurance coverage. CHAMPUS will cost-share only if enrollment in the student health program or health insurance plan is voluntary.

NOTE : An infirmary in a boarding school also may qualify under this provision, subject to review and approval by the Director, **OCHAMPUS**, or a designee.

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j. Other STFS

(1) General

(a) Care provided by certain STFS (on either an inpatient or outpatient basis), other than those listed above, may be cost-shared by CHAMPUS under specified circumstances.

1 The course of treatment is prescribed by a doctor of medicine or osteopathy.

2 The patient is under the supervision of a physician during the entire course of the inpatient admission or the outpatient treatment.

3 The type and level of care and service rendered by the institution are otherwise authorized by this Regulation.

4 The facility meets all licensing or other certification requirements that are extant in the jurisdiction in which the facility is located geographically.

5 Is other than a nursing home, intermediate care facility, home for the aged, halfway house, or other similar institution.

6 Is accredited by the JCAHO or other CHAMPUS-approved accreditation organization, if an appropriate accreditation program for the given type of facility is available. As future accreditation programs are developed to cover emerging specialized treatment programs, such accreditation will be a prerequisite to coverage by CHAMPUS for services provided by such facilities.

(b) To ensure that CHAMPUS beneficiaries are provided quality care at a reasonable cost when treated by a STF, the Director, OCHAMPUS, or a designee, will retain the right to:

1 Require prior approval of all admissions to specialized inpatient treatment facilities.

2 Set appropriate standards for STFS in addition to or in the absence of JCAHO accreditation.

3 Monitor facility operations and treatment programs on a continuing basis and conduct onsite inspections on a scheduled and unscheduled basis.

4 Negotiate agreements of participation.

5 Terminate approval of a case when it is ascertained that a departure from the facts upon which the admission was based originally has occurred.

6 Declare an STF not eligible for CHAMPUS payment if that facility has been found to have engaged in fraudulent or deceptive practices.

(c) In general, **the following** disclaimers apply to treatment by STFS :

1 Just because one period or episode of treatment by a facility has been covered by CHAMPUS may-not be construed to mean that later episodes of care by the same or similar facility will **be** covered automatically.

2 The fact that one case has been authorized for treatment by a specific facility or similar type of facility may not be construed to mean that similar cases or later periods of treatment will be extended CHAMPUS benefits automatically.

(z) Types of providers. The following is a list of facilities that have been designated specifically as STFS. The list is for example only and is not to be construed as being all-inclusive.

(a) Free-standing ambulatory surgical centers. Care provided by freestanding ambulatory surgical centers may be cost-shared by CHAMPUS under the following circumstances:

1 The treatment is prescribed and supervised by a physician.

2 The type and level of care and services rendered by the center are otherwise authorized by this Regulation.

3 The center meets all licensing or other certification requirements of the jurisdiction in which the facility is located.

4 The center is accredited by the JCAHO, the Accreditation Association for Ambulatory Health Care, Inc. (AAAHC), or such other standards as authorized by the Director, OCHAMPUS.

5 A childbirth procedure provided by a CHAMPUS-approved free-standing ambulatory surgical center **shall** not be cost-shared by CHAMPUS unless the surgical center is also a CHAMPUS-approved birthing center institutional provider as established by the birthing center provider certification requirement of this Regulation.

(b) PETH facilities-. STFS also include facilities that seek approval to provide care authorized under the PETH. (Refer to Chapter 5 of this Regulation.)

(c) Alcohol rehabilitation facilities. In order to be authorized under CHAMPUS as a provider of alcohol detoxification, rehabilitative services, outpatient treatment, and family therapy, alcohol rehabilitation facilities, both freestanding facilities and hospital-based facilities, shall operate primarily for the purpose of providing alcoholism treatment (on either an inpatient (including partial care) or an outpatient basis) and shall meet the following criteria:

1 The course of treatment shall **be** prescribed by and supervised by a qualified mental health provider (refer to Chapter 4, paragraph **C.3.i.**) practicing within the scope of his or her license. When indicated by the patient's physical status, the patient shall be under the general supervision of a physician.

2 The type and-level **of** care provided by the facility are otherwise authorized by this Regulation.

3 The facility shall meet all licensing and other certification requirements of the jurisdiction in which the facility is located.

4 The facility shall **be** accredited by the **JCAHO** or shall meet such other requirements as the Director, **OCHAMPUS**, finds necessary in the interest of the health and safety of the individuals who are furnished services in the facility.

5 The facility shall have entered into a participation agreement with **OCHAMPUS** within which the facility agrees, in part, to:

a Accept payment for its services based on an allowable-cost rate acceptable to the Director, **OCHAMPUS**, or such other method as determined by the Director, **OCHAMPUS**;

b Furnish **OCHAMPUS** with cost data certified to by an independent accounting firm or other agency as authorized by the Director, **OCHAMPUS**;

c Accept the CHAMPUS-determined rate as payment in full and to collect from the **CHAMPUS** beneficiary those amounts that represent the beneficiary's liability, as defined in Chapter 4, and charges for services and supplies that are not a benefit of CHAMPUS;

d Make all reasonable efforts acceptable to the Director, **OCHAMPUS**, to collect those amounts which represent the beneficiary's liability, as defined in Chapter 4;

e Permit access by the Director, **OCHAMPUS**, to clinical records of CHAMPUS **beneficiaries** and to the financial and organizational records of the facility;

f Comply with the provisions of Chapter 8, and to submit claims first to all health **insurance** coverage to which the beneficiary is entitled that is primary to CHAMPUS.

6 The alcoholism rehabilitation facility shall not **be** considered to be a CHAMPUS-authorized provider and CHAMPUS benefits shall not be paid for services provided by the alcoholism rehabilitation facility until the date the participation agreement is signed by the Director, **OCHAMPUS**, or a designee.

NOTE : Each alcoholism rehabilitation facility shall enter into a participation agreement as described in subparagraph **B.4.j. (2)(c)5** above, by October 1, 1985. An alcoholism rehabilitation facility that was a CHAMPUS-authorized provider as of September 14, 1984, and that otherwise meets the requirements of subparagraphs **B.4.j. (2)(c)1** through **4** will continue to be authorized until the participation agreement is signed or October 1, 1985, whichever occurs first.

k. **Birthing centers.** A birthing center is a freestanding or institution-affiliated outpatient maternity care program which principally provides a planned course of outpatient prenatal care and outpatient childbirth service limited to low-risk pregnancies; excludes care for high-risk pregnancies; limits childbirth to the use of natural childbirth procedures; and provides immediate **newborn** care.

(1) **Certification requirements.** A birthing center which meets the following criteria may be designated as an authorized CHAMPUS institutional provider:

(a) The predominant type of service and level of care rendered by the center is otherwise authorized by this Regulation.

(b) The center is licensed to operate as a birthing center where such license is available, or is specifically licensed as a type of ambulatory health care facility where birthing center specific license is not available, and meets all applicable licensing or certification requirements that are extant in the state, county, municipality, or other political jurisdiction in which the center is located.

(c) The center is accredited by a nationally recognized accreditation organization whose standards and procedures have been determined to be acceptable by the Director, **OCHAMPUS**, or a designee.

(d) The center complies with the CHAMPUS birthing center standards set forth in this Chapter.

(e) The center has entered into a participation agreement with **OCHAMPUS** in which the center agrees, in part, to:

1 Participate in CHAMPUS and accept payment for maternity services based upon the reimbursement methodology for birthing centers;

2 Collect from the CHAMPUS beneficiary only those amounts that represent the beneficiary's liability under the participation agreement and the reimbursement methodology for birthing centers, and the amounts for services and supplies that are not a benefit of the CHAMPUS;

3 Permit access by the Director, **OCHAMPUS**, or a designee, to the clinical record of any CHAMPUS beneficiary, to the

financial and organizational records of the center, and to reports of evaluations and inspections conducted by state or private agencies or organizations;

4 Submit **claims** first to all **health** benefit and insurance plans primary the **CHAMPUS** to which the beneficiary is entitled and to comply with the **double** coverage provisions of this Regulation.

5 Notify **OCHAMPUS** in writing within 7 days of the emergency transport of any CHAMPUS beneficiary from the center to an acute care hospital or of the death of any CHAMPUS beneficiary in the center.

(f) A birthing center shall not be a CHAMPUS-authorized institutional provider and CHAMPUS benefits shall not be paid for any service provided by a birthing center before the date the participation agreement is signed by the Director, **OCHAMPUS**, or a designee.

(2) CHAMPUS birthing center standards.

(a) Environment. The center has a safe and sanitary environment, properly constructed, equipped, and maintained to protect health and safety and meets the applicable provisions of the "Life Safety Code" of the National Fire Protection Association.

(b) Policies and procedures. The center has written administrative, fiscal, personnel and clinical policies and procedures which collectively promote the provision of high-quality maternity care and childbirth services in an orderly, effective, and safe physical and organizational environment.

(c) Informed consent. Each CHAMPUS beneficiary admitted to the center will be informed *in writing* at the time of admission of the nature and scope of the center's program and of the possible risks associated with maternity care and childbirth in the center.

(d) Beneficiary care. Each woman admitted will be cared for by or under the direct supervision of a specific physician or a specific certified nurse-midwife who is otherwise eligible as a CHAMPUS individual professional provider.

(e) Medical direction. The center has written memoranda of understanding (MOU) for routine consultation and emergency care with an obstetrician-gynecologist who is certified or is eligible for certification by the American Board of Obstetrics and Gynecology or the American Osteopathic Board of Obstetrics and Gynecology and with a pediatrician who is certified or eligible for certification by the American Board of Pediatrics or by the American Osteopathic Board of Pediatrics, each of whom have admitting privileges to at least one back-up hospital. In lieu of a required MOU, the center may employ a physician with the required qualifications. Each MOU must be renewed annually.

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(f) Admission and emergency care criteria and procedures. The center has written clinical criteria and administrative procedures, which are reviewed and approved annually by a physician related to the center as required by subparagraph (e) above, for the exclusion of a woman with a high-risk pregnancy from center care and for management of maternal and neonatal emergencies.

(g) Emergency treatment. The center has a written memorandum of understanding (MOU) with at least one backup hospital which documents that the hospital will accept and treat any woman or newborn transferred from the center who is in need of emergency obstetrical or neonatal medical care. In lieu of this MOU with a hospital, a birthing center may have an MOU with a physician, who otherwise meets the requirements as a CHAMPUS individual professional provider, and who has admitting privileges to a back-up hospital capable of providing care for critical maternal and neonatal patients as demonstrated by a letter from that hospital certifying the scope and expected duration of the admitting privileges granted by the hospital to the physician. The MOU must be renewed annually.

(h) Emergency medical transportation. The center has a written memorandum of understanding (MOU) with at least one ambulance service which documents that the ambulance service is routinely staffed by qualified personnel who are capable of the management of critical maternal and neonatal patients during transport and which specifies the estimated transport time to each backup hospital with which the center has arranged for emergency treatment as required in subparagraph (g) above. Each MOU must be renewed annually.

(i) Professional staff. The center's professional staff is legally and professionally qualified for the performance of their professional responsibilities.

(j) Medical records. The center maintains full and complete written documentation of the services rendered to each woman admitted and each newborn delivered. A copy of the informed consent document required by subparagraph (c), above, which contains the original signature of the CHAMPUS beneficiary, signed and dated at the time of admission, must be maintained in the medical record of each CHAMPUS beneficiary admitted.

(k) Quality assurance. The center has an organized program for quality assurance which includes, but is not limited to, written procedures for regularly scheduled evaluation of each type of service provided, of each mother or newborn transferred to a hospital, and of each death within the facility.

(l) Governance and administration. The center has a governing body legally responsible for **overall** operation and maintenance of the center and a full-time employee who has authority and responsibility for the day-to-day operation of the center.

C. INDIVIDUAL PROFESSIONAL PROVIDERS OF CARE

1. General. Individual professional providers of care are those providers who bill for their services on a **fee-for-service** basis and are not employed or contracted with by an institutional provider. This category also includes those individuals who have formed professional corporations or associations qualifying as a domestic corporation under section 301.7701-5 of the Internal Revenue Service Regulations (reference (cc)). Such individual professional providers must be licensed or certified by the local licensing or certifying agency for the jurisdiction in which the care is provided; or in the absence of state **licensure/certification**, be a member of or demonstrate eligibility for full clinical membership in, the appropriate national or professional certifying association that sets standards for the profession of which the provider is a member. Services provided must be in accordance with good medical practice and prevailing standards of quality of care and within recognized utilization norms.

a. Licensing/Certification required, scope of license. Otherwise covered services shall be cost-shared only if the individual professional provider holds a current, valid license or certification to practice his or her profession in the jurisdiction where the service is rendered. **Licensure/certification** must be at the **full clinical practice level**. The services provided must be within the scope of the license, certification or other legal authorization. Licensure or certification is required to be a CHAMPUS authorized provider if offered in the jurisdiction where the service is rendered, whether such **licensure** or certification is required by law or provided on a voluntary basis. The requirement also applies for those categories of providers that would **otherwise** be exempt by the state because the provider is working in a non-profit, state-owned or church setting. Licensure/certification is mandatory for a provider to become a **CHAMPUS-authorized** provider.

b. Monitoring required. The Director, OCHAMPUS, or a designee, shall develop appropriate monitoring programs and issue guidelines, criteria, or norms necessary to ensure that CHAMPUS expenditures are limited to necessary medical supplies and services at the most reasonable cost to the government and beneficiary. The Director, OCHAMPUS, or a designee, also will take such steps as necessary to deter overutilization of services.

c. Christian Science. Christian Science practitioners and Christian Science nurses are **authorized** to provide services under CHAMPUS. Inasmuch as they provide services of an **extramedical** nature, the general criteria outlined above do not apply to Christian Science services (refer to subparagraph C.3.d. (2), below, regarding services of Christian Science practitioners and nurses).

d. Physician referral and supervision. **Physician referral** and supervision is required for the services of paramedical providers as listed in' subparagraph C.3.c.8. and for marriage and family counselors, pastoral counselors, and mental health counselors. Physician referral means that the physician must actually see the patient, perform an evaluation, and arrive at an initial diagnostic impression prior to referring the patient. Documentation is required of the physician's examination, diagnostic impression, and referral. Physician supervision means that the physician provides overall medical management of the case. The physician does not have to be physically located on the premises of the provider to whom the referral is made. Communication back to the referring physician is an indication of medical management.

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2. Interns and residents. Interns and residents may not be **paid** directly by CHAMPUS for services rendered to a beneficiary when their services are provided as part of their employment (either salaried or contractual) by a hospital or other institutional provider.

3. Types of providers. Subject to the standards of participation provisions of this Regulation, the following individual professional providers of medical care are authorized to provide services to CHAMPUS beneficiaries:

a. Physicians

(1) Doctors of Medicine (M.D.).

(2) Doctors of Osteopathy (D.O.).

b. Dentists. Except for covered oral surgery as specified in section E. of Chapter 4 of this Regulation, all **otherwise** covered services rendered by dentists require preauthorization.

(1) Doctors of Dental Medicine (D.M.D.).

(2) Doctors of Dental Surgery (D.D.S.).

c. Other allied health professionals. The services of the following individual professional providers of care are **coverable** on a fee-for-service basis provided such services are otherwise authorized in this or other chapters of this Regulation.

(1) Clinical psychologist. For purposes of CHAMPUS, a **clinical** psychologist is an individual who is licensed or certified by the state for the independent practice of psychology and:

(a) Possesses a doctoral degree in psychology from a regionally accredited university; and

(b) Has had 2 years of supervised clinical experience in psychological health services of which at least 1 year is post-doctoral and 1 year (may be the post-doctoral year) is in an organized psychological health service training program; or

(c) As an alternative to (a) and (b) above, is listed in the National Register of Health Service Providers in Psychology (reference **(ee)**).

(2) Doctors of Optometry.

(3) Doctors of Podiatry or Surgical Chiropody

(4) Certified nurse midwives.

(a) A certified nurse midwife may provide covered care independent of physician referral and supervision, provided the nurse midwife is:

1 Licensed, when required, by the local licensing agency for the jurisdiction in which the care is provided; and

2 Certified by the American College of Nurse Midwives. To receive certification, a candidate must be a registered nurse who has completed successfully an educational program approved by the American College of Nurse Midwives, and passed the American College of Nurse Midwives National Certification Examination.

(b) The services of a registered nurse who is not a certified nurse midwife may be authorized only when the patient has been referred for care by a licensed physician and a licensed physician provides continuing supervision of the course of care. A lay midwife who is neither a certified nurse midwife nor a registered nurse is not a CHAMPUS-authorized provider, regardless of whether the services rendered may otherwise be covered.

(5) Certified nurse practitioner. Within the scope of applicable licensure or certification requirements, a certified nurse practitioner may provide covered care independent of physician referral and supervision, provided the nurse practitioner is:

(a) A licensed, registered nurse; and

(b) Specifically licensed or certified as a nurse practitioner by the state in which the care was provided, if the state offers such specific licensure or certification; or

(c) Certified as a nurse practitioner (certified nurse) by a professional organization offering certification in the speciality of practice, if the state does not offer specific licensure or certification for nurse practitioners.

(6) Certified Clinical Social Worker. A clinical social worker may provide covered services independent of physician referral and supervision, provided the clinical social worker:

(a) Is licensed or certified as a clinical social worker by the jurisdiction where practicing; or, if the jurisdiction does not provide for licensure or certification of clinical social workers, is certified by a national professional organization offering certification of clinical social workers; and

(b) Has at least a master's degree in social work from a graduate school of social work accredited by the Council on Social Work Education; and

(c) Has had a minimum of 2 years or 3,000 hours of post master's degree supervised clinical social work practice under the supervision of a master's level social worker in an appropriate clinical setting, as determined by the Director, OCHAMPUS, or a designee.

NOTE : Patients' organic medical problems must receive appropriate concurrent management by a physician.

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(7) Certified psychiatric nurse specialist. A certified psychiatric nurse specialist may provide covered care independent of physician referral and supervision. For purposes of CHAMPUS, a certified psychiatric nurse specialist is an individual who:

(a) Is a licensed, registered nurse; and

(b) Has at least a master's **degree** in nursing from a regionally accredited institution with a specialization in psychiatric and mental health nursing; and

(c) Has had at least 2 years of post-master's degree practice in the field of psychiatric and mental health nursing, including an average of 8 hours of direct patient contact per week; or

(d) Is listed in a **CHAMPUS-recognized**, professionally sanctioned listing of clinical specialists in psychiatric and mental health nursing.

(8) Certified physician assistant. A physician assistant may provide care under general supervision of a physician (see Chapter 14 G.1.c. for limitations on reimbursement). For purposes of CHAMPUS, a physician assistant must meet the applicable state requirements governing the qualifications of physician assistants and at least one of the following conditions:

(a) Is currently certified by the National Commission on Certification of Physician Assistants to assist primary care physicians, or

(b) Has satisfactorily completed a program for preparing physician assistants that:

1 Was at least 1 academic year in length;

2 Consisted of supervised clinical practice and at least 4 months (in the aggregate) of classroom instruction directed toward preparing students to deliver health care; and

3 Was accredited by the American Medical Association's Committee on Allied Health Education and Accreditation; or

(c) Has satisfactorily completed a formal educational program for preparing physician assistants that does not meet the requirements of subparagraph (1)(b) of this paragraph and had been assisting primary care physicians for a minimum of 12 months during the 18-month period immediately preceding January 1, 1987.

(9) Other individual paramedical providers. The services of the following individual professional providers of care to be considered for benefits on a fee-for-service basis **may** be provided only if the beneficiary is referred by a physician for the treatment of a medically-diagnosed condition and a physician must also provide **continuing** and ongoing oversight and supervision of the program or episode of treatment provided by these individual paramedical providers.

- (a) Licensed registered nurses.
- (b) Licensed practical or vocational nurses.
- (c) Licensed registered physical therapists.
- (d). Audiologists.-
- (e) Speech therapists (speech pathologists).

d. **Extramedical individual providers.** Extramedical individual providers are those who **do** counseling or **nonmedical** therapy and whose training and therapeutic concepts are outside the medical field.

(1) Marriage and family counselors, pastoral counselors, and mental health counselors. The services of certain **extramedical** marriage and family counselors, pastoral counselors, and mental health counselors are **coverable** on a fee-for-service basis, under the following specified conditions:

(a) The CHAMPUS beneficiary must be referred for therapy by a physician.

(b) A physician is providing ongoing oversight and supervision of the therapy being provided.

(c) The marriage and family counselor, pastoral counselor, and **mental** health counselor must certify on each claim for reimbursement that a written communication has been made or will be made to the referring physician of the results of the treatment. Such communication will be made at the end of the treatment, or more frequently, as required by the referring physician (refer to chapter 7).

(d) Marriage **and** family counselors and pastoral counselors **shall** have the following:

1 Recognized graduate professional education with the minimum of an earned master's degree from a regionally accredited educational institution in an appropriate behavioral science field, mental health discipline.

2 The following experience:

a Either 200 hours of approved supervision in the practice of marriage and **family** counseling or pastoral counseling, ordinarily to be completed in a 2- to 3-year period, of which at least 100 hours must be in individual supervision. This supervision will occur preferably with more than one supervisor and should include a continuous process of supervision with at least three cases, and

b 1,000 hours of clinical experience in the practice of marriage and family counseling or pastoral counseling under approved supervision, involving at least 50 different cases: or

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c 150 hours of approved supervision in the practice of psychotherapy, ordinarily ~~to be~~ completed in a 2- to 3-year period, of which at least 50 hours must be individual supervision; plus at least 50 hours of approved individual supervision in the practice of marriage and family counseling or pastoral counseling, ordinarily to be completed within a period of not less than 1 nor more than 2 years, and

d 750 hours of clinical experience in the practice of psychotherapy under approved supervision involving at least 30 cases; plus at least 250 hours of clinical practice in marriage and family counseling or pastoral counseling under approved supervision, involving at least 20 cases, and

(e) Mental health counselors shall have the following:

1 Minimum of a master's degree in mental health counseling or allied mental health field from a regionally accredited institution, and

2 Two years of post-master's experience which includes 3000 hours of clinical work and 100 hours of face-to-face supervision.

(f) These providers must also be licensed or certified to practice as a marriage and family counselor, **pastoral** counselor or mental health counselor by the jurisdiction where practicing. If specific **licensure** is not available in the state, then **licensure** under general provisions, where available, is required. If the jurisdiction does not provide for **licensure** or certification either in a specific or general counselor category, the provider must **be** certified by or eligible for full clinical membership in the appropriate national professional association that sets standards for the specific profession.

(g) Grace period for counselors in states where licensure/certification is optional. CHAMPUS is providing a grace period for those counselors who did not obtain optional **licensure/certification** in their jurisdiction, not realizing it was a CHAMPUS requirement for authorization. The exemption by state law for pastoral counselors may have misled this group into thinking **licensure** was not required. The same situation may have occurred with the other counselor categories where **licensure** was either **not** mandated by the state or was provided under a more general category such as "professional counselors." This grace period only pertains to the **licensure/certification** requirement, applies **only** to counselors who are already approved as of October 29, 1990, and only in those areas where the **licensure/certification** is optional. Any counselor who is not licensed/certified in the state in which he/she is practicing by August 1, 1991, will be terminated under the provisions of Chapter 9 of this Regulation. This grace period does not change any of the other existing requirements which remain in effect. During this grace period, membership or proof of eligibility for full clinical membership in a recognized professional association is required for those counselors who are not licensed or certified by the state. The following organizations are recognized for counselors at the level indicated: full clinical member of the American Association of Marriage and Family Counselors; membership at the fellow or **diplomate** level of the American Association of Pastoral Counselors; and membership in the National Academy of Certified Clinical Mental Health Counselors. Acceptable proof of eligibility for membership is a letter from the appropriate certifying organization. This opportunity for delayed

certification/licensure is limited to the counselor category only as the language in all of the other provider categories has been consistent and unmodified from the time each of the other provider categories were added. The grace period does **not** apply in those states where **licensure** is mandatory.

(2) Christian Science practitioners and Christian Science nurses. CHAMPUS cost shares the services of Christian Science practitioners and nurses. In order to bill as such, practitioners or nurses must **be** listed or **be** eligible for listing in the Christian Science Journal at the time the service is provided.

D. OTHER PROVIDERS

Certain medical supplies and services of an ancillary or supplemental **nature** are **coverable** by CHAMPUS, subject to certain controls. This category of provider includes the following:

1. Independent laboratory. Laboratory services of independent laboratories may be cost-shared if the laboratory is approved for participation under Medicare and certified by the Medicare Bureau, Health Care Financing Administration.

2. Suppliers of portable x-ray services. Such suppliers must meet the conditions of coverage of the Medicare program, set forth in the Medicare regulations (reference (h)), or the Medicaid program in that state in which the covered service is provided.

3. Pharmacies. Pharmacies must meet the applicable requirements of state law in the state in which the pharmacy is located.

4. Ambulance companies. Such companies must meet the requirements of state and local laws in the jurisdiction in which the ambulance firm is licensed.

5. Medical equipment firms, medical supply firms. As determined by the Director, OCHAMPUS, or a designee.

E; IMPLEMENTING INSTRUCTIONS

The Director, **OCHAMPUS**, or a designee, shall issue CHAMPUS policies, instructions, procedures, and guidelines, as may be necessary to implement the intent of this chapter.

F. EXCLUSION

Regardless of *any* provision in this chapter, a provider who is suspended, excluded, or terminated under Chapter 9 of this Regulation is specifically excluded as an authorized CHAMPUS provider.